

MEMORANDUM

To: New Sources

From: Bob Betterton, Manager
Emissions Inventory Section

Re: Air Permit Fees for New Sources

The Department does not charge for air permit applications. However, SCDHEC Regulation 61-30, Section G, 2, (b) requires all *operating* facilities that have or should have a permit to pay an annual permit fee. These fees are based on a price per ton of actual emissions. The regulation establishes guidelines as to how the fees are calculated. This memorandum applies solely to new sources for which there is not sufficient data to determine actual emissions. The regulation requires annual permit fees for new sources to be based on permitted emissions until such time as actual emissions can be determined. Actual emissions are calculated using data from the calendar year (January 1 through December 31) prior to the start of the fiscal year (July 1 through June 30). If data from the previous calendar year exists, please notify the Emissions Inventory Section immediately at (803) 898-4123 in order to receive the appropriate forms to complete. If data from that calendar year is not available, calculations are based on the most restrictive information contained in the various parts of the permit. These restrictions include:

- 1) limits established in the "Emissions Limitations" section of the construction permit(s),
- 2) limits established in the "Additional Conditions" section of the construction permit(s),
- 3) modeling limits included as part of the construction permit(s),
- 4) restrictions such as hours of operation included in the permit application submitted by the facility, and
- 5) limits established by the size of the equipment or type of fuel burned such that the equipment is not physically capable of emitting the amounts established in the construction permit(s).

Fees are prorated for the months the facility operated during the fiscal year. Each pollutant is calculated and prorated separately. All billable pollutants are then added together to get the tonnage for which the facility is invoiced. The invoice will show the total billable tonnage as NEWTONs. If the total is less than one ton, no invoice is sent. Fees are charged for regulated pollutants including but not limited to particulate (PM), sulfur oxides (SO_x), nitrogen oxides (NO_x), volatile organic compounds (VOCs), hazardous air pollutants (HAPs) and toxic air pollutants (TAPs). If a compound is a VOC and also a HAP or a TAP, fees are assessed only once. Fees are not charged for carbon monoxide emissions.

The Department requests that you submit the attached form listing all construction permits with the actual start-up date for each piece of equipment. ***This form should be returned to the Department with your request for an operating permit*** in order that the proper fees may be assessed in accordance with SCDHEC Regulation 61-30, Section G, (2), (b), (ii).

The following is for informational purposes only. **The Department will calculate fees for you.** However, you must complete the attached information in order that the fiscal year will be correctly prorated. Any questions related to the calculations for your facility may be directed to Annie Richardson at (803) 898-4296.

If you wish to estimate your facility's fees, first calculate the portion of the year to be used. This can be determined by dividing the number of days remaining in the state fiscal year from the day the facility began operations by the number of days in that state fiscal year (365 except during leap years). The result should be a decimal number less than one. Example: If a facility begins operations on March 1, there are 122 days left in the state fiscal year. The ratio would be $(122 \div 365) = 0.334$.

Next, use the following examples to calculate the permitted emissions. Make sure all pollutants from all operating equipment covered by construction permits are calculated.

Example 1:

$(\text{lbs. of pollutant/hr.}) \times (8760 \text{ hrs./yr.}) \times (\text{portion of fiscal year operated}) \div 2000 = \text{tons of pollutant}$

Example 2:

$(\text{tons of pollutant/yr.}) \times (\text{portion of fiscal year operated}) = \text{tons of pollutant}$

Example 3 (For Fuel Burning Sources):

$(\text{lbs. of pollutant/MMBTU}) \times (\text{rated capacity of the unit in MMBTU/hr.}) \times (8760 \text{ hrs./yr.}) \times (\text{portion of fiscal year}) \div 2000 = \text{tons of pollutant}$

Note: Sources burning only natural gas or #2 fuel oil with no other emissions may not be physically capable of emitting the permitted limits of the pollutants. In these cases, the Department will adjust the source's potential to emit for fees.

The hours per year can only be adjusted in the examples if one of the permit parts listed above restricts the hours of operation.

After all calculations are complete, the number of billable tons should be added together. The sum is multiplied by the current fee rate in order to determine the dollar amount for the fees. The amount is rounded down to the nearest dollar for billing purposes. **Do not send payment at this time.** You will receive an invoice for the correct amount.

For Minor Sources Only

Minor sources are those sources whose potential to emit is less than 100 tons of any criteria pollutant, 10 tons of a single hazardous air pollutant (HAP), or 25 tons of any combination of HAPs. The Department has developed averages based on actual emissions for various minor source industry types that may also be used. Conditional Major facilities and Title V facilities are not eligible for these averages. If these averages are more restrictive than the permitted limits, fees may be based on these averages. The following are industry types and the associated fee amounts:

Industry Type	Average Annual Emissions
Cotton Gins, Hospitals, or Crematories	1 Ton
Concrete Batch Plants Dry Cleaners Feed Mills/Country Elevators	2 Tons
Fuel Burning Sources, Evaporative Loss Sources, Air Curtain Incinerators.	9 Tons
All Other Sources	5 Tons

These amounts will also be prorated based on the portion of the fiscal year the facility was in operation; therefore, it is still necessary to provide the initial start-up date.